

SENATE BILL 707

Unofficial Copy
C2
HB 671/03 - ECM

2004 Regular Session
4r2255
CF 4r2250

By: **Senators Kelley and Gladden**

Introduced and read first time: February 6, 2004

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Club Services Providers - Registration and Renewal Fees - Fund**

3 FOR the purpose of altering the date on which a registered health club services
4 provider must pay a certain renewal fee; increasing certain registration and
5 renewal fees paid by certain health club services providers; providing for the
6 reversion of certain funds from the Health Club Administration Fund to the
7 General Fund; and generally relating to registration and renewal fees paid by
8 health club services providers and the Health Club Administration Fund.

9 BY repealing and reenacting, with amendments,
10 Article - Commercial Law
11 Section 14-12B-02(b)(2) and (3)
12 Annotated Code of Maryland
13 (2000 Replacement Volume and 2003 Supplement)

14 BY adding to
15 Article - Commercial Law
16 Section 14-12B-03(c)
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2003 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article - Commercial Law**

22 14-12B-02.

23 (b) (2) On [September] OCTOBER 1 of each year following the initial
24 registration, each registered person shall pay a renewal fee to the Division.

25 (3) The fees for registration and renewal required under this subsection
26 shall be set by the Division:

1 (i) In an amount not exceeding [\$800] \$1,200 for a person who is
2 required to purchase a surety bond or file an irrevocable letter of credit or cash under
3 subsection (e) of this section;

4 (ii) In an amount not exceeding [\$150] \$300 for a person who:

5 1. Is exempt from the requirement to purchase a surety bond
6 or file an irrevocable letter of credit or cash under subsection (e) of this section; and

7 2. Does not meet the requirements of item (iii) of this
8 paragraph; and

9 (iii) In an amount not exceeding [\$50] \$75 for a person who:

10 1. Is exempt from the requirement to purchase a surety bond
11 or file an irrevocable letter of credit or cash under subsection (e) of this section;

12 2. Does not charge an initiation fee or other fee that is not
13 identified as a payment for specified future services;

14 3. Does not contractually obligate a buyer of health club
15 services to pay in advance of the date the services are provided to the buyer; and

16 4. Does not collect from a buyer of health club services any
17 payment in advance of the date the services are provided to the buyer.

18 14-12B-03.

19 (C) AT THE END OF EACH REGISTRATION YEAR ENDING SEPTEMBER 30, ANY
20 UNEXPENDED FUNDS IN THE FUND THAT WERE COLLECTED FOR THAT OR ANY
21 PRIOR REGISTRATION YEAR SHALL REVERT TO THE GENERAL FUND.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
23 effect June 1, 2004.